

Amendment No. 3 to SB0447

**Henry
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 447*

House Bill No. 1295

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-4-702, is amended by deleting the section in its entirety and by substituting instead the following:

49-4-702

(a) The Tennessee student assistance corporation shall administer a loan-scholarship program for graduate students in professional nursing under the following terms and conditions:

(1) Any resident of Tennessee who shall become a candidate for a master's degree in nursing or any resident with a master's degree in nursing who becomes a candidate for a doctoral degree program in nursing or a related field that would qualify the person to become a teacher, administrator or supervisor in nursing shall be eligible to apply to the corporation for a loan-scholarship in an amount established by the corporation not to exceed the cost of attendance for an academic year to attend an approved graduate school of nursing or an approved doctoral program in nursing or a related field. The loan-scholarship may be received a maximum of four (4) years. Preference in awarding loan-scholarships shall be given to persons who can enter faculty or administrative positions in Tennessee immediately upon completion of their master's or post master's degree program.

(2) For each year of continuous full-time teaching service in a nursing school in Tennessee which has been approved by the state board of nursing in Tennessee, the student shall receive a credit of twenty-five

percent (25%) of the amount borrowed plus interest or proportionate credit for part-time teaching service as defined by rules.

(3) All loan-scholarships shall be evidenced by notes payable to the corporation which shall bear interest at an annual rate of interest to be determined by the corporation from and after the completion of the educational program. The notes shall be executed pursuant to the rules and regulations of the corporation. If the recipient does not remain in, and/or return to, Tennessee to teach or practice, the person shall be required to repay the full value of loan-scholarship funds received at an annual rate of interest to be determined by the corporation from the date of completion of the educational program. The permanent withdrawal or dismissal of any recipient or the failure of any recipient to do college work in a manner acceptable to the corporation shall immediately forfeit such recipient's right to retain such loan-scholarship. Any loan made under the provisions of this section shall be cancelled by the death or the permanent and total disability of the recipient.

(b) The Tennessee student assistance corporation, in conjunction with the Tennessee board of nursing, is authorized to promulgate rules and regulations for the management of the program and the selection of recipients, taking into consideration such factors as academic record of the applicant and shortage areas in the nursing force in Tennessee.

(c) The Tennessee student assistance corporation may receive contributions from outside sources for funding this program under conditions prescribed by the corporation, with the understanding that the funds will be used solely for awards under this section and unused funds shall not revert to the general fund, but shall be carried forward for future student awards.

(d) Funding from the state of Tennessee shall not revert to the general fund but shall be carried forward to the next fiscal year for future student awards.

(e) This program shall be available for participants beginning July 1, 2006 after rules have been promulgated. The Tennessee student assistance corporation is authorized to use public necessity rulemaking in accordance with section 4-5-209(a)(4) as appropriate. The availability of scholarships shall be subject to the appropriation of funds in each year's general appropriations act.

SECTION 2. This act shall take effect on becoming a law, the public welfare requiring it.